GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:3660
ANSWERED ON:17.04.2008
AVAILABILITY OF ETHANOL
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government have any mechanism to assess the indigenous availability of ethanol in the country;

(b) if so, the details in this regard;

(c) the estimated quantity of ethanol required per annum for supply of 5% ethanol blended petrol in the country; and

(d) the details of the steps taken by the Government to meet the requirement of ethanol for the said purpose?

Answer

MINISTER of STATE for PETROLEUM & NATURAL GAS(SHRI DINSHA PATEL)

(a) to (d) The required quantity of ethanol for 5% blending with petrol is procured on the basis of open tender system. The requirement of ethanol for the three year period is 180 crore litres for 5% blending with petrol. The OMCs have been able to contract 140.4 crore litres. They have so far procured 29.5 crore litres under the programme (as on 31.03.2008).

However, the shortfall in procurement of ethanol is due to levies/taxes on ethanol imposed by the different States. The matter has been taken up with the concerned State Governments to reduce/remove the duties & taxes on ethanol meant for doping with petrol. Some of the States like Chhattisgarh, West Bengal, Madhya Pradesh and Jharkhand have recently exempted/reduced the import and export fee.